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Cuba

Cuba Rejects 'All Kinds of U.S. Meddling' in Legal System

PA2804000495 Havana PRENSA LATINA in Spanish 2015 GMT 27 Apr 95

["Cuba Rejects Meddling Statement by U.S. Spokesman"—PRENSA LATINA headline]

[FBIS Translated Text] Today, Cuba rejected all kinds of U.S. meddling in its legal system and the organization of the island's legal processes.

Foreign Ministry Spokesman Miguel Alfonso refuted recent statements by Nicholas Burns, his U.S. State Department counterpart, on the penalty imposed by a Cuban court on Cuban citizen Francisco Chaviano.

Chaviano was judged and sentenced to 15 years in prison for issuing false documents to Cubans interested in being viewed by the U.S. Interests Section in this capital as individuals allegedly enduring political persecution. He issued such documents by taking advantage of his close ties with that diplomatic representation.

During the hearing, Cesar Augusto San Martin and Alberto Boza said they falsified documents by taking advantage of their status as a member and a former member, respectively, of the Cuban Interior Ministry.

San Martin was sentenced to 17 years in prison, Boza to 12, Juan Carlos Gonzalez, who obtained a visa in this manner, to eight, another indicted person to three, and two were released on probation.

Regarding the severity of the sentence on Chaviano, Alfonso said that sentencing is a prerogative of the courts and does not always respond to the prosecutor's petition.

Alfonso said Burns' statements are evident meddling in Cuba's domestic legal system, its legislation, and the manner in which the country's legal system is organized.

He said: "When speaking out in defense of somebody, this gentleman (Burns) should first ask himself whom he is defending and what crime he is somehow shielding."

Alfonso said: If we were to speak about prison conditions and trial guarantees, then dozens, hundreds of cases, cases that have been denounced by international organizations, could be pointed out as occurring in the United States for each case Burns could point out.

In this regard, Alfonso mentioned the case of Gary Tayler, who was sentenced to life in prison in the state of Louisiana for having allegedly murdered a white child in the midst of racial riots in 1974, when the prisoner was 16.

Certain prestigious international organizations believe that Tayler "was denied an impartial trial and that racial prejudice played a vital role in the imposing of the sentence," Alfonso said.

Minister Tours Shanghai, Signs Agreements

FL2704114995 Havana Radio Reloj Network in Spanish 1932 GMT 26 Apr 95

[FBIS Translated Text] Ernesto Melendez, foreign investment and economic cooperation minister, has concluded his visit to the PRC and is now in Japan to meet Japanese businessmen before returning to Havana. Melendez and adviser Miguel Figueras traveled to Tokyo from Shanghai, while the rest of the delegation returned to Beijing for a bilateral meeting.

Melendez's tour of the PRC's most heavily populated and industrialized city included a stop at the special (Phu Yon) economic zone, where he was briefed on the zone's accomplishments and future plans and on how foreign investments are handled. The Cuban delegation also visited the (Shan Hian) advanced technological area, the stock market, and the People's Bank of China's main office. Melendez participated in a ceremony organized by Cuban Consul General Maria Sanchez before concluding the visit to Shanghai.

Melendez, who arrived in Beijing on 21 April, signed an accord for reciprocal promotion and protection of investments which opens new horizons for economic and trade relations between Cuba and the PRC. Cuba and the PRC also signed the final resolution of the fourth session of the joint commission for scientific and technical cooperation, which establishes the tasks for the period 1995-96. The resolution deals with the follow-through on issues in the areas of agriculture, health, seismology, and fish farming, as well as issues involving animal care. The resolution also broaches other areas, such as biotechnology, the pharmaceutical industry, and the medical equipment industry.

The Cuban delegation includes, among others, Carlos Gutierrez, director of the National Scientific Research Center, and Jose Luis Fernandez, director of the National [words indistinct] Center.

Foreign Minister, Diplomats Tour Provinces

FL2704173695 Havana Radio Rebelde Network in Spanish 1700 GMT 26 Apr 95

[From the "National Radio News"]

[FBIS Translated Text] Cuban Foreign Minister Roberto Robaina and diplomats accredited in Cuba continue their visit to several Cuban provinces. Robaina talked with reporters during his visit to Ciego de Avila.

[Begin Robaina recording] We do not like to sit in cold rooms to explain what we are doing. We prefer diplomats to see reality, and know the real protagonists of the Cuban foreign policy. The Foreign Ministry does not make this policy, but just provides explanations and guidelines. Diplomats—for better or worse—have now many more elements with which to judge what goes on in

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Cuba. They have a better view than the one they would have if they were hearing what happens or living only in Havana.

Cuba is much more than Havana. The capital is important, yet Cuba has an economic, social, and political reality which needs to be known as a whole, to assess it thoroughly. This is what we can accomplish with this tour. I never invite diplomats to receive good grades, I want them to judge us as we really are—not very good, and not very bad. [end recording]

Ideology Workshop Studies Pressure Mechanisms

FL2704173095 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 27 Apr 95

[From the "NTV" newscast]

[FBIS Translated Text] Cuban history and ideology requires more in-depth studies to tie it more closely to the current times. Scientific studies reveal that Cuban society is in need of more flexible organizations where mechanisms of pressure [coaccion] are not the motivating factor for participation. Research has revealed that an emancipation process cannot be fulfilled with coercion and that organizations should represent their members to avoid the development of alternative groups as well as defend projects which have not relinquished humanitarian and collective goals.

The second national workshop on Cuban Revolutionary ideology began today at the headquarters of the Central Committee of the Communist Party of Cuba [PCC]. The workshop brings together Cuban social sciences scholars following the onset of the economic and social transformations which have had such a significant impact on ideology. Researchers are also stressing that history has to be reassessed in light of the accumulated experience in investigative and speculative research to find out what is truly Cuban in the universal and vice versa, because as they said: We are facing a great ideological battle which has taken us by surprise.

The subject of man as end goal of Cuban policy was broached by scholars and sociologists. However, more in-depth studies on these issues seem to be required in order to gain clarity on this highly controversial field.

The workshop, sponsored by the PCC and scheduled to conclude on Friday, is part of the renaissance in social sciences in Cuba, where survival efforts do not suppress the revitalization of the traditional and active field of Cuban ideology.

Article Highlights Cuban Electoral System

PA2804033595 Havana PRENSA LATINA in Spanish 0748 GMT 26 Apr 95

["Exclusive" article by Ulises Canales, PRENSA LATINA journalist and delegate for a Havana municipality: "Elections in Cuba, the Different Democracy"]

[FBIS Translated Text] Havana—The viability of the Cuban model of democracy will again be put to the test in an election. Its completion is expected to convince all that, although not the ideal system, it has nothing to envy of equivalent systems in other parts of the world.

A call by the Cuban Council of State to hold elections for delegates to the people's government municipal assemblies was the first step needed to mobilize the community and decide, together, who will govern at the grassroots level for the next 30 months.

Every Cuban citizen older than 16 and with the right to vote will come to the polls on 9 July, for a first round of elections. A run-off election will take place on 16 July in those cases where candidates fail to win a simple majority of all valid votes cast.

National, provincial, municipal, and local electoral commissions must be installed before that date. They will be in charge of coordinating the process within their territory, and organizing candidate nomination meetings, completion of a voter register, and ensuring the success of the voting on election day.

From 19 May to 18 June each of the 13,000 electoral circuits throughout the country will carry out what are known here as assessment meetings for delegates and their constituents. At these meetings the people will have the opportunity to nominate their candidates for the new period.

The commissions' responsibility during this election is great, given the economic and political situation Cuba now faces, both locally and internationally.

According to Ricardo Alarcon, president of the National Assembly of the People's Power [ANPP], "this election is of tremendous political importance," as candidates will need to work harder to persuade the people to demonstrate the true value of the Cuban political system at the polls.

Following the general election of 1993 (for municipal and provincial delegates and deputies to the Council of State), the island's economic situation hit rock bottom. It now shows an improvement that is almost imperceptible to the people. Meanwhile it is experiencing a gradual opening to foreign capitals.

On the political front there were the street demonstrations of last August, the illegal exodus of thousands of Cubans, and the subversive activities of minute and unorganized counterrevolutionary sectors. The area has also become even more complicated due to the intensification of the U.S. trade embargo and its anti-Cuban campaign.

"This is why," Alarcon notes, "it is very important to head off capitalist ideology. We should look onto this process and its objectives as part of the political work we must carry out, now, however, under more complex

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circumstances. This is why it is so very important, precisely now, to hold the best election ever."

The call to elections comes because people have been nominated for these posts, despite knowing that the nominee is unqualified. They select candidates simply because they are known to be willing to govern, because they are known to have a revolutionary conscience, or just because they have said they "will not let the people down," while those sufficiently qualified citizens shy away from the responsibility.

The authorities continue to seek higher standards by insisting that people, in seeking nominees, come together to reflect and think of the most qualified neighbors they can find.

The ANPP president said that the commissions must promote the highest possible degree of participation at voting time. The people must make sure delegates get fully involved in the state's mass organizations, as a means of strengthening the people's power and, consequently, boosting their public image.

This way, the people would not have to resort to their right to remove elected officials from their post so often. Authorities admitted publicly that during the current administration, this recourse had been used quite frequently because of mistakes, incompetence, or immoral behavior, among other reasons.

Based on my personal experience, besides their role as community leaders, delegates must deal with the shortage in resources needed to meet the demands of the people and the inability to make certain decisions.

Problems such as water shortages, power outages, and the poor supply of household gas, the unmet demand for construction materials to repair homes in the cities or to prevent the exodus of people from rural areas impair the government's ability to act.

The people understand more and more that these problems stem from the country's economic crisis. They argue, however, that many of their demands could be met, at least partially, if their delegates act more decidedly and adopt a stronger position in dealing with incompetent administrative personnel, and they are not always wrong.

GRANMA, Cuba's official newspaper, stated recently that delegates and deputies on government, legislative, and Communist Party commissions had confirmed, through conversations with the people, that "some of the problems that were said to have been solved still persist or were given a bureaucratic solution." Certain local governments, the paper added, do not see solving their constituents problems as a priority of their administration. They argue the various government agencies should provide these solutions but accept their responsibility for demanding a change of attitude and effective solutions.

Although it is difficult to become a representative of the people before the government and vise versa, somewhat like being judge and jury, it is also true that the job requires a great deal of work from the delegates and their superiors. The delegates are more affected by this requirement, as they must spread themselves thinner to fulfill their role as such and keep up with their regular job.

Another element hampering these objectives is the lack of communication between the presidents of the municipal governments and the delegates (who are only members of the assembly). An attempt was made to eradicate this problem by instituting people's councils, which would gather community and neighborhood leaders.

The new bodies, which were then believed to be the missing link in the Cuban democratic system, moved things a little faster for their members, but they faced the task of "governing" bodies that are above their authority, an especially difficult task now in light of the current economic changes going on within state organizations and enterprises.

Nevertheless, the Cuban authorities say with cautious certainty, "problems that are impossible to solve must be objectively and clearly explained to the people if, in fact, we want them to trust the people's government, feel motivated to accept the responsibility and participate in that government, and participate in the search for alternate solutions to their problems."

The polls will speak for themselves in July.

Voter Registration Lists Posted 2 May for Election

FL2704172795 Havana Radio Rebelde Network in Spanish 1700 GMT 26 Apr 95

[From the "National Radio News"]

[FBIS Translated Text] Voter registration lists will be posted on 2 May in public places in preparation of the 9 July elections.

People qualified to vote will go to the ballot boxes on 9 July to elect delegates to the Municipal Assemblies of the People's Government for a 2.5 year term.

All Cubans over 16 years old with full possession of political rights will be listed, including members of the armed forces. People officially certified as mentally ill, and felons on probation, parole, or house arrest, will not able to vote.

People serving subsequent sentences, or whose political rights have been suspended by court ruling are also barred from voting.

Holguin Province Prepares Lists

FL2704115495 Havana Radio Reloj Network in Spanish 1950 GMT 26 Apr 95

[FBIS Translated Text] Holguin Province's 14 municipalities have stepped up efforts to prepare district voter

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registration lists so that they can be made public by 2 May. Alfredo Mas, president of the province's electoral commission, has said that care has been taken in collecting information for the lists in an effort to guarantee passage to the next steps in the process. Mas also said that as of 2 May all those who have a right to vote will be able to verify their inclusion in the voter registration lists and present any claims on a case by case basis, according to Electoral Law 72. Over 70 percent of Holguin Province's more than 1 million residents are over 16 and, thus, will be eligible to vote in the forthcoming municipal elections, which are scheduled to take place on 9 July.

Haiti

Migration Office To Handle Repatriation of Refugees

PA2804032895 Port-au-Prince Radio Metropole in French 1600 GMT 27 Apr 95

[Report by Rothschild Francois from "The Midday Newscast"]

[FBIS Translated Excerpt] A migration office has been created, placed under the auspices of the Social Affairs Ministry and put in charge of repatriating the refugees. The National Office for Migration is also in charge of assuring the reintegration of domestic displaced persons.

To discourage illegal travelers, the government is considering creating programs in the regions where mass departures are reported. Just as those programs will be developed with the help of the international community, the government is calling on Haitians themselves to avoid illegal and dangerous trips to the United States or other countries.

Meanwhile, the foreign minister has reiterated the government's firm position against all forced repatriations of Haitian refugees. The forced repatriation of Haitian refugees is a point of disagreement between Haiti and the united States. The Haitian Government has formally opposed it, while Washington has maintained its position. Rothschild Francois reports:

[Francois] While the Haitian Government reaffirmed at the beginning of the week its opposition to the forced repatriation of Haitian boat people, the U.S. Embassy has affirmed its policy on the illegal travelers remains unchanged. The embassy's spokesman has said no negotiations were held between the two governments for the conclusion of a new agreement on the repatriation of the refugees. We have expressed the desire, said Stanley Schrager, who did not stop saying that boat people intercepted at sea would be directly returned to Haiti. Acknowledging the refugees issue remains a major concern for both countries, Stanley Schrager has tried to make believe there was no disagreement between Port-au-Prince and Washington. [passage omitted].

In an interview with Radio Metropole, the foreign minister has stated her opposition against the forced repatriation of the boat people. Claudette Werleigh has made it known that no agreement was possible today between Haiti and the United States regarding the boat people: [Begin recording, in Creole, in progress] [Werleigh] ...the mission is not only clearly defined, but that we understand each other and also that the United States understands quite clearly that we Haitians, the government cannot accept their forcibly returning the refugees.

[Francois] If I understand correctly, you do agree with a repatriation but, rather, a voluntary one?

[Werleigh] We have always based our discussions with them on that point. We have many Haitians living abroad. Many representatives of various countries have met with us on that matter. Some have told us it was a real problem for them, particularly on the small islands, where Haitians can make up 40 percent of the population. Thus, in certain countries they believe it is a problem, and they are working with us for the Haitians' return. [end recording]

[Francois] The foreign minister has invited potential refugees to remain home, while admitting the socioeconomic conditions are still difficult. Werleigh has also announced the creation of a National Office for Migration within the ministry. This office will be in charge of assuring the repatriation of refugees and the internal displaced persons. As such, the government intends to launch development projects in the zones targeted by those illegal trips. The government would also like to find the international community's support in the development of those projects.

St. Lucia

Association Warns Prime Minister of Civil Servants Strike

FL2804013795 Bridgetown CANA in English 1918 GMT 27 Apr 95

[FBIS Transcribed Text] Castries, St. Lucia, April 27, CANA—Prime Minister John Compton has been informed by letter of planned strike action by civil servants next week. The letter sent by the General Secretary of the Civil Service Association (CSA) Henry Charles, informed Compton of the outcome of an emergency general meeting of the CSA at which the decision to strike was taken.

"It was agreed that the government should be given a May 9th ultimatum to address a number of outstanding issues," it stated. These include salary increases for civil servants, the continued closure of Radio St. Lucia and finalisation of the re-classification plan. Also noted in the letter was the failure of the government to address "the hazardous working conditions" at the government registry and the Ministry of Foreign Affairs.

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The letter was copied to the minister for labour, the labour commissioner and public service unions.

The CSA is embroiled in a protracted wage dispute with government in which it is seeking a 30 per cent increase spread equally over three years. Government, however, has not shifted from its offer of 3 per cent spread over the same period.

But the CSA is not the only group planing protest action. The opposition St. Lucia Labour Party (SLP) has received police permission for a protest march next Tuesday. The SLP had threatened to march with or without permission of the police. But the law officers have made changes to the route of the march in keeping with the Public Order Act. "We are putting measures in place to ensure that both the demonstrators and other citizens are protected throughout the proceeding," Superintendent Ausbert Regis said. The SLP march is planned to protest official corruption, the recent controvertial amendments to the criminal code, and other issues.

The island's main trade unions are also preparing for a national strike early next month to protest the same issues.

Turks & Caicos

Operation To Curb 'Security Threat' of Haitian Refugees

FL2804003695 Bridgetown CANA in English 2124 GMT 27 Apr 95

[FBIS Transcribed Text] Providenciales, Turks and Caicos Islands, April 27, CANA—The British and United States Governments Thursday [27 April] launched a joint naval and sea operation to interdict vessels transporting Haitian nationals fleeing their homeland to the Turks and Caicos Islands, the island's Governor, Martin Bourke announced.

In a broadcast on national Radio, Radio Turks and Caicos, Wednesday night Bourke said effective Thursday, the West Indies Guard Ship, HMS Monmouth will be in Turks and Caicos waters for a period of time to help interdict boats carrying illegal immigrants. The vessel would, "...be assisted by patrol craft and air units from the U.S. Coast Guard following agreement by the U.S. authorities that they should join in this operation," he added.

The joint operation was launched in response to complaints by Government that a new wave of Haitian nationals who have been turning up here aboard rickety boats and stealing ashore, pose a serious threat to the security of this British dependent territory at the southern tip of the Bahamian archipelago where official estimates already put the number of illegal Haitian immigrants at about 5,000.

"It appears that many of them are coming here fed by false rumours circulating in Haiti that these islands offer them a stepping stone to residence in the USA. We also have evidence unscrupulous Haitian sea captains are transporting people to these islands in exchange for money and misleading them into thinking they are being taken to the U.S.," Governor Bourke said.

He said that while no one who has any compassion could fail to be moved by the continuing human problems that exist in Haiti despite the restoration of democratic government there, the continued influx of illegal Haitians into the Turks and Caicos Islands—mainly into Providenciales, one of the six inhabited islands and the main tourism centre here—was placing an intolerable burden on Turks and Caicos and the problem should be addressed.

He said, "the process of interdicting and detaining vessels carrying illegal immigrants and the repatriation of 'illegals' to Haiti will continue until the message has been sent clearly that the Turks and Caicos Islands are no longer a preferred destinatiion for such illegal immigrants."

Official sources estimate that in recent weeks, more than 500 Haitian boat people secretly came ashore on Providenciales. Many of them are believed to be camping out in the bushes and immigration officers, assisted by the police have been kept busy trying to ferret them out.

Figures provided by Deputy Director of Immigration, Dudley Lewis, show that between March 6 and April 24, some 241 illegal Haitian immigrants were repatriated. The largest batch—57—was repatriated on April 24.

Director of immigration, Tom Saunders says it is costing government approximately 150 U.S. dollars to repatriate (and a minimum of about 50 U.S. dollars per day to detain) each illegal Haitian immigrant and such financial outlay constitutes a severe strain on the country's limited resources.

Lewis also reported that during the same period (March 6 to April 24) the Immigration Department received reports of approximately 13 Haitian sloops landing illegal Haitian nationals in the islands. To date, three sloops have been found abandoned and one whose owner and captain have each been jailed here for six months for assisting with the illegal entry of immigrants has been confiscated by the court.

In one case, on April 2, a group of 49 illegals were left stranded by a boat captain on West Caicos, one of the several uninhabited islands but were spotted by local fishermen, subsequently rescued and repatriated.

Saunders says that in interviews he and his officers conducted, the illegals claimed that they paid sums ranging from U.S.500 dollars to U.S.1,000 dollars to be taken to either the United States or the Bahamas—Nassau in particular—and that when they were unloaded off Providenciales, usually by night, they were told—and

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they believed—that they had arrived either in the Bahamas or the United States.

The situation, he says, was no longer merely one of illegal immigration but a threat to national security because while the resident population of Turks and Caicos Islanders has been estimated at about 12,000 the country is already faced with a frightening situation with current estimates indicating that there are already approximately 11,000 Haitians in the country—6,000 who reside legally and the remaining 5,000 illegally. He says the 6,000 figure is an estimate which takes into account an average family unit of four persons and the fact that about 1,500 Haitian nationals hold work permits here. He says taking into account the view that there are about 12,000 "belongers" resident in the Turks and Caicos it means that there are already nearly as many Haitian nationals as "belongers", which constitutes a security threat.

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Government Negotiating $1.5 Billion Loan With Private Banks

PA2704142395 Mexico City NOTIMEX in Spanish 0320 GMT 27 Apr 95

[FBIS Translated Text] Washington, 26 Apr (NOTIMEX)—Mexico is negotiating with private banks for loans totaling between $1 billion and $1.5 billion. Successful conclusion of these neogtiations would mark Mexico's return to the international capital market, Mexican Finance Secretary Guillermo Ortiz Martinez reported here today. He said that the Mexican Government is trying to diversify its sources of financing and reinforce confidence in the government; these credits would be the first step in Mexico's reincorporation into the international capital market. Speaking during a news conference at the Mexican Embassy, Ortiz Martinez said that next week there will be more news about the $1 billion-$5 billion loans, which would help shore up the Mexican banking system. After participating in an IMF and World Bank temporary committee meeting in Washington, he said that the money is not essential for Mexico but that market contributions are important.

Ortiz also said that Mexico will try to use as little as possible of the financing package of nearly $51 billion that the international community approved in January to help Mexico face the economic crisis that broke out in December. Mexico has allocated the $15.8 billion received from the international financing plan to reduce by more than half the January balance of obligations represented by short-term debt and Tesobonos, he added.

Finance Secretary Views Peso Rates, Crisis

PA2704161295 Mexico City XEW Television Network in Spanish 0430 GMT 27 Apr 95

[From the "24 Hours" newscast]

[FBIS Translated Text] Addressing the IMF's Interim Committee in Washington, D.C., on 26 April, Mexican Finance Secretary Guillermo Ortiz explained that Mexico's economic programs have four basic objectives: increasing domestic savings, stabilizing financial markets, reducing the negative impact of interest rates, and creating special training and job programs. He affirmed that the peso's exchange rate is showing signs of stabilizing but acknowledged that the adjustment process is painful. Later, he granted an interview to Yolanda Sanchez of "24 Hours."

[Begin recording] [Sanchez] Mr. Minister, is it true that the peso is grossly undervalued? That is, is the peso still too low against the dollar?

[Ortiz] I think the exchange rate is undervalued even now.

[Sanchez] Is there any chance that Mexico will recover economically this year? During which quarter? What can we expect?

[Ortiz] I think we have made significant progress in one of the program's objectives, that is, the stabilization of financial markets. In the last few weeks, we have seen the peso recovering and the exchange rate appreciating markedly. Mexico's secondary debt markets have also stabilized somewhat. The price of Mexican debt on the international market has also recovered significantly, as has the securities exchange market.

I believe that we are achieving the objective of this stabilization, but this does not mean that we have overcome the economic emergency or that the crisis is over. I believe that as far as the real economy is concerned, we had a difficult first quarter. We will also have a complicated second quarter. But market stabilization is helping. For instance, as we have seen, interest rates dropped during today's stock exchange session, and we hope to see interest rates drop even more, which would eventually lead to economic recovery if inflation drops starting in May. I think we will have a better scenario in the second half of the year. Above all, we hope to see economic activities recover in the third and fourth quarters.

[Sanchez] But is the most difficult part of the crisis over?

[Ortiz] I believe that the most difficult part in terms of financial variables is over. I repeat: The market's stabilization is being consolidated. But I don't want to say that we have already overcome the emergency. We still have acute problems like unemployment and sluggish economic activities. Certainly the situation continues to be delicate.

[Sanchez] Up to what level is it advisable to let the peso appreciate?

[Ortiz] Well, the peso is already appreciating because the markets are doing what they're supposed to. That is, after overreaction by the markets and financial panic, things have settled down. The market itself has been letting the exchange rate appreciate to more reasonable levels. But I repeat: The exchange rate is still quite undervalued.

[Sanchez] Given all the various options, what monetary policies will Mexico adopt? Will it let the peso float or will it fix the rate?

[Ortiz] The exchange rate has been floating since December 1994. The system is now more stable. The futures market started up in Chicago on 25 April; this will also help stabilize the exchange rate. I believe that we will soon see how much better it is to have a more predictable exchange rate system, as Mexico recovers its international reserves. But it's also true that the floating system is working properly and is stable. We might continue to use this system.

[Sanchez] How is Mexico doing in facing opposition from Congress and in supplying the information that's needed for approval of more funding?

[Ortiz] As scheduled, Mexico has spent $8 billion of the U.S. Government loans; $2 billion more have been

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earmarked for the first half of the year. I believe that once we see that the program is working, opposition will certainly wane.

[Sanchez] How much will be needed this year? How much do we estimate will be used from this fund and these loans?

[Ortiz] We estimate $20 billion for payments for the second half of the year, to be provided by both the IMF and the Ibero-American Fund. Of course, we may not need to use all the funds available to Mexico. We will indeed be able to use a lower amount from the resources available in the supporting funds insofar as Mexico is able to reenter international capital markets. In fact, we already see some positive signs of this.

[Sanchez] One last question. When can we expect interest rates to fall?

[Ortiz] In fact, during yesterday's stock exchange session, we saw interest on Cetes [treasury certificates] drop significantly. I believe we can expect a significant drop in interest rates if inflation starts to go down in the next few months, starting in May and June.

[Sanchez] Then we must be cautiously optimistic, to paraphrase Michel Camdessus.

[Ortiz] I believe that we have indeed moved forward. I believe that, I repeat, we are consolidating the objective of stabilizing the markets. But we cannot and must not be triumphalists.

[Sanchez] One last question. Another criticism is that the money is not reaching the people. Is this true?

[Ortiz] As stipulated, the money is being used to refinance short-term liabilities owed by the public sector and the banks. This is the objective of the Stabilization Fund...

[Sanchez, interrupting] That is...

[Ortiz, interrupting] But I believe it is very important to achieve the objective of stabilizing the markets. This will promote economic recovery. Without stable markets, sustained economic recovery will be impossible.

[Sanchez] Thank you very much and good luck. [end recording]

Finance Spokesman Outlines Expected Investment

PA2704125995 Mexico City NOTIMEX in Spanish 0208 GMT 27 Apr 95

[FBIS Translated Text] Mexico City, 26 Apr (NOTIMEX)—Mexico will receive $8 billion in direct foreign investment (IED) in 1995, while the government will obtain approximately $4 billion from privatizations. Alejandro Valenzuela, spokesman for the Program of Action To Reinforce the Agreement of Unity To Overcome the Economic Emergency, said that the $4 billion is part of the $14 billion that will be obtained in the next six years as a result of privatizations. The $14 billion will be obtained from the privatization of telecommunications, railroads and ports, among others, the official stressed during a news conference.

Valenzuela made it clear that the privatization program being undertaken by the current government "is not a garage sale. What we seek by privatizing is to make more efficient those sectors that have not been very efficient under the protection of the state. The objective of the privatization program is to create efficiency and productivity for the country, but the main point is to create added value to eliminate the many bottlenecks that hinder economic growth," Valenzuela explained.

Asked about the current exchange system in Mexico, the spokesman said that the peso's floating rate vis-a-vis the dollar will continue indefinitely since "right now the country has no option but to continue with the peso's floating rate." He stressed that the Mexican peso futures, which began operations yesterday on the Chicago exchange, will undoubtedly lend more certainty to the commercial transactions conducted in foreign exchange. This will benefit Mexican and foreign companies. But "the peso futures market is not in any sense an indicator of the value the peso-dollar exchange rate will have in the future," the Finance Secretariat official explained. This market will enable those who conduct commercial transactions using futures contracts to establish a currency price over a set time frame that will depend on the nature of the operation and the interests of the parties involved in the transaction, he stated.

After noting that "we are halfway down the path," Valenzuela said that April inflation could reach 5 percent, but in the second half of the year, we will begin to see a more favorable outlook for economic indicators.

As for the progress in the adjustments made in public spending for 1995, Valenzuela explained that by year's end, spending will be reduced to 303.7174 billion new pesos ($50.619 billion). This figure will be 47.2508 billion new pesos ($7.875 billion) lower than the 1994 budget. Projected spending equals 18.2 percent of GDP, that is, 1.62 percentage points less than the figure originally approved, which totaled 350.968 billion new pesos ($58.494 billion). Valenzuela added that the reduction of 1.62 percentage points of GDP in the projected spending transforms public spending into an instrument for macroeconomic stabilization to help increase public savings.

Banamex Report Deems Official Economic Program Viable

PA2704184695 Madrid EFE in Spanish 1740 GMT 26 Apr 95

[FBIS Translated Text] Mexico City, 26 Apr (EFE)—The National Bank of Mexico [Banamex] today described the government's economic plan as "viable and congruent." Banamex forecasts 47 percent inflation this year and a 4 percent drop in GDP. In a report dated April and entitled

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"Assessment of the Economic Situation," Banamex stresses its optimism about the market's performance during the last few weeks. It sets variable indices similar to government estimates. Nonetheless, the document, which recommends making the most of comparative advantages available in the country in order to curb the negative effects of the economic crisis, in no way loses sight of what the program will cost the Mexican people.

Among the positive aspects, Banamex analysts point out that financial markets are beginning to stabilize and that capital flight, which reached $11.905 billion during the first quarter of the year, has started to decline. Capital flight, which according to Banamex is equivalent to 5 percent of GDP and nearly 10 percent of the total financial market, had a more severe impact than in 1986, when the price of crude oil, the Mexican state's main source of revenue, declined drastically.

Nevertheless, Banamex's 1995 year-end estimates do not coincide with those forecast by government analysts in the economic adjustment program made public in March. For example, private sector studies point out that GDP will decline 4 percent and that inflation will reach 47 percent, 2 and 5 percentage points more, respectively, than official estimates. Banamex forecasts contend that the exchange rate will fluctuate between 6.2 and 6.15 new pesos per U.S. dollar, while the government claims that the exchange rate will settle at 6 new pesos. Yesterday, the new peso's buy price was quoted at 5.60, while the sell price was 6.15, down from last week. This trend is attributed to the growing presence of foreign capital and to the $3 billion loan granted by the United States.

With respect to the U.S. loan, Banamex Deputy Governor Ariel Buira stated in Washington that Mexico might not have to use 30 percent of the economic assistance (approximately $5.340 billion) negotiated with the IMF. The $17 billion in IMF financial assistance are part of an overall $48 billion loan Mexico negotiated with international financial institutions in order to address the economic crisis that broke out on 20 November 1994. According to Buira, positive financial market indicators give Mexico "enough room to maneuver" and meet its obligations.

With respect to public debt certificates governing primary interest rates, Banamex contends that the 28-day treasury certificates (Cetes) will end the year yielding interest close to 50 percent, 9.7 percentage points more than what the government has forecast. At the last public auction, which is held every Tuesday, interest on 28-day Cetes settled at 71.50 percent, a 5 point drop. Meanwhile, 14- and 91-day Cetes fell 3.5 and 7 points, respectively.

Banamex analysts have been somewhat more conservative than the government on growth of non-petroleum exports. They contend that exports will grow nearly 20 percent over 1994 figures, 7 percent less than the government forecast.

The report points out that the economic program, which it describes as "viable and congruent," will also cause the elimination of 500,000 jobs and will increase open unemployment (less than one hour of work per week), which will rise to 4 percent, from the 2.4 percent recorded in 1994. It also cautions that the formal sector will be unable to provide employment to the 1.2 million workers about to enter the labor market, and that the loss in purchasing power will be equivalent to 20 percent. Banamex, therefore, calls on the government to make the most of all comparative advantages the country may offer in exports, manufacturing, assembly plants, and tourism, among other areas.

Predicts $4 Billion Commercial Surplus

PA2704205895 Madrid EFE in Spanish 0946 GMT 27 Apr 95

[FBIS Translated Text] Mexico City, 27 Apr (EFE)—According to a study by the National Bank of Mexico (Banamex), Mexico's commercial balance will attain a surplus of more than $4 billion this year. This in sharp contrast to a deficit of more than $29 billion in 1994. The official report states that the main cause of the economic crisis that Mexico has been experiencing since 20 December is the growing deficit in the commercial balance's current account. This is the result of an inordinate increase in imports, to the detriment of exports, which in turn depleted Mexico's international reserves. Coupled with the fact that foreign debt obligations must be paid in dollars, this has placed the government on the verge of bankruptcy, made it unable to meet its international obligations, doubled the enterprises' public debt, and stagnated the economy in general.

According to Banamex, the country's largest bank, Mexico's exports will grow 19.6 percent and imports will shrink 13.6 percent this year. But international trade is expected to stagnate. The Mexican peso's close to 100 percent devaluation gave Mexican products a competitive edge over foreign products, whose market values doubled.

The Banamex study reports that Mexican foreign trade's $2.966 billion deficit in the first two months of 1994 was reduced to $295.3 million in the first two months of 1995. This entailed a 33.7 percent increase in sales and only a 2 percent increase in purchases. In the first two months of the year, Mexico sold a total of $11.527 billion in goods abroad, while buying $11.882 billion in goods.

Banamex predicts that oil exports will be the most significant. The most important exports in other areas will be agricultural and manufactured products produced by non-assembly enterprises. Experts believe this increase is due primarily to lower local demand and product competitiveness caused by the devaluation.

As for imports, the most significant reduction has occurred in the finished goods and investment sectors. This drop is caused by devaluation and reduced revenues. The experts express concern over the drop in investment assets, which could adversely affect future growth potential.

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The study also points out that the severity of the fiscal and monetary measures included in the adjustment program will lead to a reduction in GNP similar to that of the 1982 crisis, although different conditions exist that will make it possible to overcome the difficulties.

According to the report, the construction sector will feel the impact most keenly, with a 4 percent overall drop. Commerce, restaurants, and hotels will experience losses close to 2 percent. Industry, mining, manufacturing industry, services, and transport will experience a nearly 1 percent reduction. The agricultural sector, electricity, gas, and water, and financial and real estate services will grow slightly less than 1 percent.

Foreign Secretary on Chiapas, Economic Crisis

PA2704184795 Mexico City LA JORNADA in Spanish 26 Apr 95 pp 1, 12

[Report by David Aponte]

[FBIS Translated Text] Chiapas is living a war of "ink" and "words," a war of "Internet." Not a single shot has been fired in the conflict zone in the last 15 months. The government and the Zapatist National Liberation Army will find a successful solution to the conflict, Foreign Relations Secretary Jose Angel Gurria said yesterday.

Addressing more than 150 businessmen from 37 countries, Gurria said that the government of President Ernesto Zedillo is creating the political, juridical, and legal conditions to ensure that "the Zapatists will feel comfortable and protected" at the negotiating table.

As for the political crimes in which Luis Donaldo Colosio and Jose Francisco Ruiz Massieu lost their lives, the foreign secretary affirmed that laws will be respected and enforced at the "highest echelons."

He warned that in Mexico, laws will be enforced against all criminals and businesses conducting illicit activities.

"The president has said that laws must be respected and enforced above all else. Everyone is equal before the law. The government has acted in an unbiased manner and has completely investigated all wrongful incidents and the known and dramatic situations. The investigations have been conducted at the highest levels possible and have involved the most prominent and outstanding people in our society.

"We hold the conviction that this is a country of laws and that they will be respected without distinction. This will be done, not only in criminal investigations but also in businesses," he pointed out.

From the 42d floor of the World Trade Center in Mexico City, the chief of the Mexican diplomacy assessed the country's economic, financial, and political situation so as to prevent erroneous interpretations of events. He apologized for the absence of Commerce Secretary Herminio Blanco. He said nothing about foreign policy during his 45-minute speech.

He first explained the origins of the Mexican economic and financial crisis and the programs implemented to face it, as well as measures taken to halt the impact of "the wave."

The Mexican currency was devalued in December 1994, a devaluation that should have happened earlier. "When we fail to make timely decisions, the market does this for us with a vengeance. We went from an overvalued currency to an undervalued currency," Gurria said.

Speaking in flawless English, he also mentioned the good side of the country's financial structure, "the tools to beat back the wave," the years of surpluses in public finance, the low percentage of GDP earmarked for paying the foreign debt, and the $50 billion granted to support the Mexican emergency program.

The projects implemented to face the crisis are moving forward and working out. The markets are no longer extremely volatile and the Mexican Securities Exchange has increased in value 30 percent in the last few weeks. The country is a member of NAFTA and has signed trade agreements with Central and South America and the European Union. In short, all the things that have made Mexico attractive in the past—namely, its businessmen and its workers—are still here, he underscored.

The foreign secretary maintained that the nation's affairs are centered on economic issues. There are also issues of political interest, for instance, the Chiapas conflict and democratic reforms.

Speaking sharply, the high-ranking official called on foreign businessmen to take note of his words: "Not a single shot has been fired in Chiapas in the last 15 months, not a single shot. The shooting lasted 10 days in January 1994. Since then, the parties have been meeting and holding talks, whereas the rest of the world has been witnessing multiple and countless tragedies.

"Since then, the Chiapas war has been a war of ink and words and a war of Internet, which has some very obstreperous clients. But at least people are talking, and we expect successful results," he stressed.

As for the second issue, he explained that the government's intention is to move forward toward a more honest and better political system, which will have the approval and participation of all the country's political forces.

At the end of his speech, Gurria was applauded by the participants, who were able to ask some questions about Mexico's economic, financial, and commercial activities. Not a word on foreign policy. Enrique Berruga, who coordinates the foreign secretary's aides, was left holding the text of that speech.

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El Salvador

Economy Minister on Globalization Strategy

PA2704151495 San Salvador Teleprensa Television in Spanish 1520 GMT 26 Apr 95

[FBIS Translated Text] The Conference on Economic Strategy in the Globalization Process was held at the Central Reserve Bank's Auditorium yesterday afternoon. Economy Minister Eduardo Zablah Touche was the main speaker of this conference. The minister said that we must seek new markets to promote our products, but the latter should be competitive abroad.

[Begin Zablah Touche recording] It is believed that the Central American Common Market [CACM], Central America's integration market, is important because it represents more than 40 percent of our international trade. However, we also believe that the CACM virtually no more room for growth. It has grown as much as we expected, and we cannot grow any more within this market. As a result, we must move outside. We must seek new markets abroad and to do this. Our products must be able to compete in foreign markets. Most of our products are not competitive in those markets because we have been operating within a rather closed market with levels of protectionism that allowed low levels of efficiency.

However, times are changing, and it isn't only due to this need to grow, either. The presidents of this continent have reached an agreement to create a free trade area in the entire American continent by the year 2005. And as though this wasn't enough as a temporal horizon, we are very alert and are exerting the necessary political pressure to support a proposal in the U.S. Congress. This proposal, that has bipartisan support, will give countries in the Caribbean Basin parity with NAFTA. This parity would last six years. Thereafter, the countries would have to negotiate separately their access to NAFTA. If they haven't done it by then, they would be left without parity and empty-handed. [end recording]

Zablah Touche added that human resources are important, essential and therefore, necessary for our country's progress.

Guatemala

President Creates New Mechanism for Fiscal Negotiations

PA2704154395 Guatemala City LA REPUBLICA in Spanish 26 Apr 95 p 2

[FBIS Translated Text] President Ramiro De Leon Carpio has created what he calls "a new mechanism" [instancia] for negotiations that will discuss a solution to the "fiscal war." It has been agreed in principle that tariff unification will be repealed in favor of new tax laws, with participation by the government, for the time being, and private and political sectors. This is according to statements issued by the president himself.

Once again members of this new "mechanism" met last night at the Presidential House to try and put an end to the confrontation "as soon as possible," but there was still no information on the nature of import tariffs under the new measures. LA REPUBLICA was told that the private sector "submitted two proposals."

President De Leon Carpio explained to LA REPUBLICA that the mechanism "now includes government, political, and entrepreneurial sectors, but will be later broadened" by summoning other representative groups so that "the new administration will have a mechanism for dialogue and negotiation."

Participants in the first meetings were President De Leon Carpio himself, Congress President Efrain Rios Montt, Alvaro Arzu, and CACIF [Coordinating Committee of Agricultural, Commercial, Industrial, and Financial Associations] representatives Marco Garcia Noriega (president), Jorge Briz (trade), Juan Jose Gutierrez (industry), Humberto Pretti (farming), and Mariano Ventura (Anacafe) [National Association of Coffee].

The president expressed his satisfaction with the way in which events in the "fiscal war" have developed. He said "this has been the toughest battle I have ever fought, even tougher than purging the state." But he said that "it would serve the next administration by guaranteeing fiscal resources for social development work."

He explained that tariff unification was in fact "a political weapon" he used in negotiating with the entrepreneurial sector and denied that industrialists had at any time given the government an ultimatum.

According to De Leon Carpio's estimates, the government that will take office on 14 January 1996 will have "about 3 billion quetzals of guaranteed income" for social development which will have been generated by the fiscal reform. The president said that when all the presidential candidates have registered they will be shown next year's budget and projects drafted by his administration in order for them to take these into account in their government plans "in order to make it easier for the new president."

Government, URNG Favor Appointment of UN Special Envoy

PA2804043295 Guatemala City LA REPUBLICA in Spanish 27 Apr 95 p 4

[Report by Carlos Ajanel S.]

[FBIS Translated Text] Representatives of the government and the Guatemalan National Revolutionary Unity (URNG) General Command said yesterday the UN decision to designate Gilberto Schittler as "special

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envoy" for the peace process will expedite the negotiations and will facilitate international assistance.

According to Hector Rosada Granados, president of the government's Peace Commission (Copaz), the appointment of Schittler is one of the "UN decisions that will most favor the negotiating process," because it will give more prestige and seriousness to the process.

Meanwhile, acting Foreign Minister Bernardo Arevalo de Leon said the appointment will come to "formalize and strengthen the basic UN structure toward Guatemala."

In addition, the URNG General Command, in a cable datelined Mexico City, also expressed "its satisfaction" over the appointment, after considering the diplomat a man of "high capability and whose appointment will give more certainty to the process."

"The designation of Schittler contributes to giving more coherence to the UN actions in Guatemala," stated Miguel Angel Sandoval, a member of the URNG's Political-Diplomatic Commission.

Rosada and Arevalo did not rule out that Schittler's designation may facilitate an economic understanding between our country and the international financial community, as well as a "more active" participation of friendly countries toward the process.

Rosada Might Travel To New York on 1 May

In addition, the president of Copaz announced that in the next few hours, there may be a change in the date for resuming negotiations. Nevertheless, he said the first meeting the government side will hold with UN financial organizations will be on 2 May in New York.

At the request of the United Nations, its financial organizations, such as the World Bank, the International Monetary Fund, etc., will advise Copaz and the URNG on the topic "Economic Issues and Agrarian Reform," a topic currently under discussion.

According to Rosada, the advice from these organizations, which he termed the "most expensive organizations in the world," will be highly beneficial for the point to be discussed, because it will allow the attainment of viable and real negotiation alternatives.

He said that after the financial bodies meet with the government side, they will do the same with the URNG General Command to convene later the first working meeting on the basis of the draft recommended by the United Nations.

Nicaragua

National Assembly Overrides President's Veto

PA2704124695 Managua Radio Sandino in Spanish 1200 GMT 26 Apr 95

[From the "What's Happening?" newscast]

[FBIS Translated Text] The National Assembly yesterday overrode President Violeta Chamorro's veto of the law that grants parliament the constitutional right to fire judicial and electoral magistrates and the comptroller general.

With 51 votes in favor, none against, and one abstention, the override of the presidential veto did not generate any debate after Dr. Danilo Aguirre, president of the Justice Commission, explained his opinion. Dismissals are not categorized in the penal code, and its implementation is not a legal matter, Dr. Aguirre told the National Assembly plenum.

Court Neither Accepts Nor Rejects Assembly's Magistrates

PA2804013595 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 27 Apr 95

[Report by Claudia Sirias from the "National Newscast"—passages within quotation marks recorded]

[FBIS Translated Text] The Supreme Court of Justice [CSJ] has neither accepted nor rejected the five magistrates chosen by the National Assembly within the framework of the controversial constitutional reforms. Here is Claudia Sirias with a report.

[Sirias] The CSJ is facing a difficult situation, because it can neither accept nor reject the five magistrates selected by the National Assembly on the basis of the constitutional reforms. The CSJ members have held a cordial meeting with the magistrates to discuss the issue, and they all have agreed a legal solution must be sought promptly:

[Orlando Trejos Somarriba, CSJ president] "The truth is that if the CSJ accepts or rejects the selected magistrates, it would be stating its view on the essence of the reforms, the reason why the CSJ does not want or has decided to neither accept nor reject their nominations. The magistrates have agreed this is a difficult situation, and our hands are tied."

[Magistrate Rodolfo Sandino Arguello] "Our group of magistrates selected by the National Assembly understands the situation explained by the members of the CSJ and its president that the CSJ can neither accept nor reject our nominations and that they did receive the credentials whereby the National Assembly accredits us as elected magistrates of the CSJ."

[Trejos Somarriba] "Therefore, we cannot make a decision on this matter unless we pronounce a judgment. We cannot adopt a decision based on an action of this sort."

[Sirias] Answering persistent questions by reporters, Trejos has rejected that the CSJ is disqualified to make a decision:

[Trejos Somarriba] "The CSJ has faced serious problems to this effect. In general, the Judicial Branch has been the

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hardest hit among all branches because of this disagreement. Thus, we have discussed the problems we have encountered with them. The new magistrates elected by the assembly have agreed with us, and we will continue reviewing the problem jointly."

[Sirias] Meanwhile, Rodolfo Sandino has said there is sufficient grounds for him to feel as a full-fleged magistrate, but he has admitted he is still not a member of the CSJ, of which there is only one in this country:

[Sandino] "This is not just another supreme court. The court presided over by Trejos is the only Supreme Court, the legal one.

[Unidentified reporter] "[Words indistinct]

[Sandino] "Because our credentials were neither accepted nor rejected, we are not members of the CSJ yet. We are holding talks to reach a favorable solution to this problem."

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Argentina

Menem May Review Abrogation of 'Due Obedience Law'

PY2704190795 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1138 GMT 27 Apr 95

[FBIS Translated Excerpt] Buenos Aires, 27 Apr (NA)—President Carlos Menem has not ruled out the possibility of reviewing the bill to abrogate the Due Obedience Law. He admitted, however, that it is "a very difficult issue."

Asked if the government would abrogate the Due Obedience Law to permit the appearance in court of those who committed heinous crimes and who were not punished, Menem responded: "It is a very difficult issue that must be considered."

During an unscheduled news conference at the Government House press room yesterday, Menem said the "mea culpa" expressed by the Army through Lieutenant General Martin Balza, the Army chief of staff, "should be followed by other military sectors and by the civilian sectors involved in this dirty war." [passage omitted]

The president used a good portion of his news conference to review General Balza's 25 April remarks, their possible repercussions on society, and the repercussions that may follow if other civilian and military sectors acknowledge crimes committed during the dirty war. [passage omitted]

Menem pointed out: "The reconciliation of some sectors of society is still missing. That's all."

The president admitted that "there may be some lust for revenge" in these confessions by repented military officers. He pointed out: "It is strange that these confessions come after 20 years." Nevertheless, Menem said he dare not "pass final judgment."

Menem said he does not know for sure what political goals lurk behind these remarks by repented people. He noted, however, that "it is strange" that these people have appeared, like Sergeant Victor Ibanez did, "just 20 days before the elections."

Camilion: Annulling of Amnesty Laws Not Being Considered

PY2804032395 Buenos Aires TELAM in Spanish 1829 GMT 27 Apr 95

[FBIS Translated Excerpt] Buenos Aires, 27 Apr (TELAM)—Defense Minister Oscar Camilion said today that the government is not contemplating the possibility of annulling the amnesty and due obedience laws.

Camilion added that annulling of the amnesty and due obedience laws "is not being considered by this government" because "it would mean entering truly difficult terrain, as President Carlos Menem said."

The defense minister said that Menem's reference to the laws that gave amnesty to military officers accused of violating human rights during the fight against subversion "was only a very circumstantial reference."

Camilion made these remarks during a meeting with journalists responsible for covering the Defense Ministry at noon today.

Camilion also said there is a possibility that the Navy and Air Force might issue some type of pronouncement on their participation in the illegal repression of subversion during the 1970's in the next few days.

"We think the heads of those branches will take advantage of the celebration of their days during May to take positions and speak about their role in that struggle," Camilion told Radio 9.90. [passage omitted]

Army Chief of Staff Hopes Military Rules Will Be Observed

PY2704180495 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1339 GMT 27 Apr 95

[FBIS Translated Text] Buenos Aires, 27 Apr (NA)—Following his 25 April self-criticism of the activities of the Armed Forces during the 1970's, General Martin Balza, the Army chief of staff, said he hopes "military rules and regulations will be observed more than ever."

Balza said: "I hope there will be a reaction that will benefit society as a whole, the nation as a whole. But, more humbly, I hope military rules and regulations will be observed more than ever."

Balza pointed out: "Chiefs must take full responsibility and now, finally, we can expect the whole of society to do the same. No one can now say we did not assume our responsibilities."

In remarks published today by a Buenos Aires morning newspaper, the general emphasized: "We look forward to the time when we truthfully assume our responsibility."

Balza emphasized that his declaration, which elicited worldwide reaction, did not express a personal attitude, "but a decision prompted by a petition by the entire Army."

Reviewing remarks by [former Sergeant] Victor Ibanez, a repented former member of Army field forces, Balza pointed out: "I frequently pondered over the need to take this stand. I was working on my message that I will deliver on 29 May during the yearly Army Day dinner, but this new development forced me to deliver the message earlier."

Asked about the frequently using the term "transgression," the Army chief of staff pointed out: "It is the most appropriate term when a crime is committed."

He said: "I was pondering on military rules and regulations. If a crime is committed, it must not be concealed. And a crime has been committed."

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Balza added that, while drafting the message he read over television, he avoided using "words like 'war' or 'subversion' which may have caused suspicions" and decided against using "any 'light' [preceding word in English] sentence that did not contain concise concepts."

Bolivia

MBL For First Time Ever Justifies State of Siege

PY2704135195 Santa Cruz EL MUNDO in Spanish 19 Apr 95 p A37

[FBIS Translated Text] La Paz, 18 Apr (ANF)—Today, for the first time in its political history, the Free Bolivia Movement [MBL] justified the state of siege. Acting MBL President Miguel Urioste said the government decision is the result of intransigence by small union groups within the COB [Bolivian Labor Federation].

The MBL deplored the state of siege during Jaime Paz Zamora's administration in November 1989, and similar measures during that of Victor Paz Estenssoro (MNR) [Nationalist Revolutionary Movement].

For the first time the MBL justified that exceptional measure which on Tuesday night [18 April] prompted the arrest of union leaders and their banishment to towns in eastern Bolivia.

"The MBL is a partner of the government and equally responsible," said Urioste, adding that the state of siege "is justified."

Asked about the difference between this exceptional measure and that declared by the Patriotic Accord, which was criticized by his party, Urioste said: "No comment."

He said: "I regret that this is happening precisely when the church spoke about the progress achieved and about previous agreements, like the signing of a draft copy of more than 10 points, and the commissions that have worked very hard."

He added: "We regret even more the fact that the talks were obviously following a course of the COB's frank rejection and refusal, ignoring the progress of so many days of effort. It was obvious (that the COB) was on its way to declaring hunger strikes and severing talks with the government."

Urioste said the COB caused the enforcement of the state of siege, a measure which is provided for by the Constitution when situations of social commotion or uncertainty take place.

He accused a small group within the COB of adopting an intransigent position against dialogue with the executive branch.

Daily Evaluates Risks of State of Siege Implementation

PY2804004595 La Paz PRESENCIA in Spanish 23 Apr 95 p 3

[Editorial: "Between Abuse and the Law"]

[FBIS Translated Text] The state of siege has suspended several rights granted by the Constitution to the Bolivian people with the understanding that this legal instrument serves to protect an allegedly threatened public order. But this exceptional measure cannot under any circumstance allow abuses that would distort the principle behind it, much less allow arbitrary decisions.

There are reasons to believe abuses are being carried out with the state of siege. If that trend continues, the executive branch will lose the moral authority to demand that the measure be obeyed without resistance.

The number of people who are banished or being persecuted is growing every day, and this makes us recall the years when it was difficult to predict the fate of union leaders and other people who were considered dangerous by the repressive organizations. There is no excuse to be found in saying that under the state of siege enforced by the previous administration, approximately 820 people were deprived of their freedom, because any comparison between democracies should consider other issues. Otherwise, instead of moving ahead, we would be going backward.

We understand that because of discipline and a minimum of coherence with the government decisions, there are political leaders supporting the measure because if they did not agree with it, the logical thing for them would be to leave their public office. It is undoubtedly not very edifying to see how positions change according to where a politician stands, and this crudely reflects the incoherence between practice and the principles being advocated.

Moreover, it is interesting to note that the only constitutional government that did not enforce the state of siege was the administration of Hernan Siles Zuazo, who was overwhelmed by all kinds of protests and maneuvers by political parties and unions, which forced him to shorten his term by one year. Paz Estenssoro resorted to this measure twice: The first time to enforce his policy of structural adjustment, which led to the "relocalization" of 27,000 miners, and the second to stop the "march for life" in rejection of the government package. Paz Zamora enforced the state of siege three months after his inauguration because he believed the consolidation of the government was threatened. Is this a symptom of serious faults in terms of governing in a democracy?

Governments have resorted to the state of siege to ensure a proper environment for implementing measures that are being resisted, such as the case of the relocalization of miners, and this is what may happen now. We believe it is necessary not to abuse the facilities the state of siege may grant the executive branch because the government must preserve the authority that comes from obeying the law. It should not be forgotten that the government of President Gonzalo Sanchez de Lozada is forced to compromise on certain issues because even though he was elected by the majority in Congress, his support does not

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exceed 40 percent. This is not the case with Peruvian President Alberto Fujimori, who does have an absolute majority.

Officials should be warned about the risks of taking advantage, on the basis of their own judgment, of a situation that can turn into unjustifiable abuses. Anything the people may view as simple and intolerable abuse must be avoided.

Brazil

Judge Orders Federal Police Investigation Into Esca

PY2804032295 Sao Paulo AGENCIA ESTADO in Portuguese 2241 GMT 27 Apr 95

[By Fernando Granato]

[FBIS Translated Text] Sao Paulo, 27 Apr (AE)—Federal judge Casem Mazloun today ordered the Federal Police to investigate possible fraud against the Social Security System by Esca, Automation and Control Systems Engineering. The federal government chose this enterprise without a tender to manage the Amazonian Region Surveillance System (Sivam).

The measure had been requested by the office of the Federal Attorney, based on an initial analysis of the documents provided by the National Social Security Institute (INSS), which filed five lawsuits against Esca. At Esca, the INSS found forged social security contribution receipts accounting for a loss of 7.5 million reals for the Social Security Institute.

According to Federal Prosecutor Ricardo Nahat, who analyzed the documents, there are "indications of illegality" in the presentation of blank social security contribution receipts, and the figures registered by the enterprise do not match the figures of the confiscated receipts. In light of this, the prosecutor also asked the federal courts to lift the enterprise's bank secrecy, in order to learn whether Esca actually withdrew the money from its account to pay for the social security contribution. Judge Mazloun did not authorize lifting the bank secrecy. At his office, he said it is appropriate to order a federal police investigation in order to ascertain whether documents have been forged.

The contract between the government, Esca, and Raytheon—the U.S. enterprise that will supply the equipment for Sivam—should have already been signed, but was temporarily suspended because of the charges of fraud. If the charges are proven, the Federal Attorney, through a temporary resolution, will try to impede the signing of the contract.

Esca, one of whose majority stockholders is a retired Air Force colonel, was chosen by the federal government because it was a 100-percent Brazilian firm and because it provided guarantees—in theory at least—for strategic aspects. The Aeronautics Ministry and the Strategic Affairs Secretariat (SAE) preferred to make a choice based on consultations with trade unions in the areas of engineering and informatics. Yet the qualifications that were required could be met only by Esca, which will collect approximately $250 million for managing the project.

Uranium Reserve Losses to Nuexco Viewed

PY2704143095 Sao Paulo ISTOE in Portuguese 26 Apr 95 Pp 102, 103

[Article by Raymundo Costa, Helio Contreiras, and Jayme Brener; "yellow cake" is rendered in English throughout]

[FBIS Translated Text] Those responsible for the Brazilian nuclear program have good and bad news for Brazilians. The good news is that in the nuclear area, the country has joined the international economic community by "renting" to the Swiss-U.S. company Nuexco 275.7 tonnes of concentrated uranium, or yellow cake, which is used as nuclear power station fuel. The bad news is that Nuexco has now gone bankrupt and failed to return 27.3 tonnes of yellow cake, so we have thus lost one third of our strategic reserves. This may cause supply problems for the Angra 1 and Angra 2 nuclear plants. Since the administration of [former President] Fernando Collor, the country has tried to convince the world it has given up the use of the atom for military goals. Brazil is believed to have cooperated in the construction of the Iranian atomic bomb. All this occurred even though yellow cake must go through a complex sort of refining before becoming a component of the bomb.

ISTOE reported the transaction in April 1994, a few days after the shipping of first yellow cake cargo—194 tonnes—which Nuexco subleased to the Canadian company, Cameco. Ship Captain Sergio Porto da Luz, who was then adviser of the Chamber of Deputies National Defense Committee, warned that "Nuexco may not have uranium available when we need it returned." Roberto Franca, president of the Nuclear Industries of Brazil (INB), however, was very satisfied with the subleasing. After all, when money was short, subleasing would save $200,000 per month that the government would have had to spend to store its uranium. This would provide $1.7 million and, additionally, we would also get the yellow cake back. At that time Franca said: "Nuexco has given us all sorts of guarantees."

The guarantees, however, were not so good. Nuexco was then the largest uranium trader in the world. Between 1988 and 1990, Nuexco's turnover was $1 billion. The company had exclusivity over Russian uranium to the United States and West Europe. The problem, however, is that Nuexco flooded the Western Hemisphere with cheap uranium following the dismantling of the former communist countries' arsenals. The price of yellow cake dropped from $86 per kg in 1978 to $14 in 1981. U.S. producers imposed barriers on Russian-made uranium

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and were the ones who protested most. As of 1992, Nuexco found it had a huge nuclear white elephant on its hands.

But why did Brazil lease uranium to a crumbling enterprise? Nuexco Director James Lightner said: "At that time, our problems did not seem to be definitive and we did not allow them to become known to the people, but the company went bankrupt in February." INB President Roberto Franca admitted that the transaction was rather foolish. He said: "The problem is that the deal was negotiated through a middle man."

This, however, was not the problem. Nuexco returned to Brazil 135.5 tonnes of the material. The remaining 112.9 tonnes were considered to have been purchased with the money from the rent of the yellow cake—$1.7 million. Nevertheless, 27.3 tonnes are still missing. The overall loss, however, is small—$450,000—compared with more than $100 million which Nuexco owes the Russian Government. Nonetheless, the transaction with Brazil contemplated renting, and not selling, the nuclear fuel. As a result, Brazil has 140.8 tonnes less yellow cake. Angra 1 and Angra 2 plants (the latter still under construction) will use 350 tonnes of concentrated uranium per year. The INB/Nuexco maneuver has profoundly irritated the Navy, which is responsible for a project to construct an atomic submarine and which has been deprived of its strategic reserve.

If the 27.3 tonnes of concentrated uranium was not returned to Brazil, the nest question is: Where did it go? Nuexco's Lighter said: "The yellow cake was all delivered to the Cameco plant in Ontario, Canada. The company must have redistributed it among its clients in Canada or maybe abroad." Could the Brazilian yellow cake have ended up in the claws of a dangerous country? Admiral Mario Cesar Flores, the former strategic affairs secretary who authorized the transaction, said: "This is very improbable because Canada exerts rigid control on nuclear activities."

Jose Mauro Esteves dos Santos, president of the National Nuclear Energy commission (CNEN) added: "We adopted all required procedures to safeguard the nuclear material." In a letter to Brazilian officials in February, the International Atomic Energy Agency (IAEA) reports that the leasing had been entirely monitored. The IAEA supervises nuclear activities worldwide.

Despite all this, there are rumors that the Brazilian yellow cake may be in Iran.

All this happened because some characters in the Nuclear White Elephant Operation had important roles in the obscure relations Brazil enjoyed with the Middle-East in the 1980's. Diplomat Luis Augusto Castro Neves, the former number two at the SAE during Adm. Flores' days, was the Itamaraty representative at the National Security Council when the government decided to the build the Brazilian atomic bomb in the beginning of the 1980's. At that time, there was a secret agreement with Iraq, to which Brazil supplied yellow cake. The partnership was broken amidst media accusations. Jose Mauro Esteves, currently at the CNEN, worked with Neves at the SAE. Both are linked to former CNEN President Rex Nazareth, who is considered the father of the Brazilian atomic bomb. One important Brazilian nuclear expert who did not want to be identified confirmed to ISTOE that Iran tried, at least twice, to purchase Brazilian uranium. The deal was stopped by Itamaraty.

Although the Brazilian yellow cake may be very quietly lying in a secure country, negotiation with Nuexco shows that Brazil still has a somewhat rudimentary attitude in its adventures in the international nuclear market. Former CNEN Director Professor Anselmo Paschoa said: "The case shows very clearly that supervision should not be mixed with business, thus preventing confusion at the moment of closing a contract." The six unions of nuclear area workers stated on 17 April they will adopt preventive measures and demand that those who are responsible for this transaction return to the public coffers everything that has been lost.

Dissemination of news about the yellow cake has been surrounded by confusing "leaks." ISTOE had access to the first details at the beginning of April and started to check on them. On Friday 14 April, the Brasilia newspaper, CORREIO BRAZILIENSE, reported that ISTOE would at the weekend report a scandal involving the diversion of Brazilian uranium to Iran. As it turned out, ISTOE continued to investigate the issue and could not find any evidence of dangerous links between Brazil and Teheran. This false-information leak was also received by AGENCIA ESTADO, which disseminates news to the Brazilian media countrywide on a daily basis. On Wednesday 12 April, the agency transmitted an item on Nuexco's bankruptcy. AGENCIA ESTADO Information Director Sandro Vaia said: "The news was to have been published later, but the agency decided to suspend publication because it wanted to preserve the O ESTADO DE SAO PAULO's exclusivity." The Polis on Line bulletin, which is disseminated in Brasilia, informed its clients that the agency would publish red-hot news about the Brazil-Iran connection. Vaia said: "The curious thing is that we did not mention anything about a connection in the note."

Cardoso To Adopt More Aggressive Attitude Toward Congress

PY2704123295 Rio de Janeiro JORNAL DO BRASIL in Portuguese 25 Apr 95 p 6

[From the "JB Report" column by Dora Kramer]

[FBIS Translated Text] The government leaders in Congress, who met with President Fernando Henrique Cardoso yesterday, got the impression that the president returned from the United States in high spirits.

One said: "I have never seen him with such an appetite for politics."

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From the meeting it became obvious that Fernando Henrique Cardoso is absolutely convinced that some bashful attitudes must be changed. The old hands-on practice of working with Chamber of Deputies and Senate arrangements has returned to Planalto Palace.

The president told the congressional leaders he would engage in hand-to-hand fighting as never seen before. It involves personal control.

He will begin with the PMDB [Brazilian Democratic Movement Party] from Paraiba State. There is concern about the stance by Senator Ronaldo Cunha Lima, the PMDB leader in Paraiba State, who has become more of an opponent than an ally.

Fernando Henrique Cardoso will personally and quickly contact the Paraiba senator to hold talks.

Cunha Lima can still not swallow the loss of a seat on the Bank of the Northeast board of directors to someone from Ceara State, or the removal of Cicero Lucena's power within the government.

Concerning the latter issue, Cunha Lima is absolutely right. Yesterday, not even one important leader well known for his good memory, could remember what post Cicero Lucena holds in the government.

Cicero Lucena is regional affairs secretary—I think.

Cardoso Calls Deputies To Guarantee Approval of Proposal

PY2804020595 Sao Paulo AGENCIA ESTADO in Portuguese 1955 GMT 27 Apr 95

[FBIS Translated Text] Brasilia, 27 Apr (AE)—In an effort to guarantee a government victory in the first voting on the social security reform, President Fernando Henrique Cardoso phoned all possible government allies in the Constitution and Justice Committee of the Chamber of Deputies—ranging from the problematic PMDB [Brazilian Democratic Movement Party] to the small PMN [National Mobilization Party]. "Dr. Arraes, this is Fernando Henrique," the president introduced himself to Pernambuco Governor Miguel Arraes (PSB) [Brazilian Socialist Party]. "The social security problem in my government has been resolved," he said, referring to the contribution increase included in the new minimum salary bill. "Congress may do whatever it wishes with the project, but cannot refuse to debate on the reform, which is a government commitment," he said. The president's target in phoning Arraes was deputy for Pernambuco Nilson Gibson, the rebellious PMN member who is something of a loner.

With a list of committee members in his hand, Cardoso phoned Gibson and insisted on his position. The president did not content himself with the assurances given by PPR [Progressive Renewal Party] leader and deputy for Rio de Janeiro Francisco Dornelles that three of the five PPR votes in the committee were guaranteed. Cardoso phoned the three PPR deputies—Gerson Peres (Para), Ibrahim Abi-Ackel (Minas Gerais), and Prisco Viana (Bahia).

In order to guarantee a comfortable victory in the committee, it was necessary to break the unity of the 11 PMDB members who had decided to vote as a bloc against the governemnt proposal. In light of this, the president phoned Paraiba leader Jose Luiz Clerot, and then PMDB president Luiz Henrique. "You know, Luiz Henrique, that we will win without the PMDB," the president said, concluding, after a short break, and in a grave tone, that "it is not good to win without the PMDB."

Chile

Pinochet Dismisses 'Mea Culpa' Over Human Rights Violations

PY2804030995 Madrid EFE in Spanish 2002 GMT 27 Apr 95

[FBIS Translated Excerpt] Santiago, 27 Apr (EFE)—Chilean Army Commander General Augusto Pinochet today dismissed the possibility of declaring a "mea culpa" for the violation of human rights during the military regime he headed, as some people demand a gesture similar to that by the Argentine Army commander.

Pinochet, who governed in Chile for 17 years (1973-90), today declared that his Argentine counterpart, General Martin Balza, "was never under fire, but we were," when he was asked by journalists whether he was willing to declare himself, as the Argentine Army commander did, in favor of a national reconciliation.

In view of the journalists' insistence, Pinochet, who was attending a ceremony to celebrate the Carabineros (militarized police) anniversary, added that what happened in Argentina "is a problem of the Argentines; why ask me?" He refused to make any further comments.

During the regime headed by Pinochet, the security forces were responsible for the disappearance of some 1,000 political prisoners, another 3,000 faced summary executions or died during false clashes, thousands were imprisoned and tortured, and some 200,000 were forced to go into exile, according to information disclosed by the Rettig Commission Report and the National Office for the Return of Chileans in Exile.

The military officers' permanent explanation has been that the victims were communist terrorists and that the action by military personnel prevented a civil war from being unleashed in Chile.

After hearing General Balza, who on Wednesday, 26 April, said that the so-called "dirty war" in Argentina during the 1970's was "immoral" and admitted acts of

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murder and torture by military organizations, democratic sectors and organizations for the defense of human rights in Chile have demanded a similar gesture from General Pinochet. [passage omitted]

Ecuador

Dahik: Trade With Chile Unaffected by Conflict

PA2804011095 Quito Voz de los Andes in Spanish 1700 GMT 27 Apr 95

[From "The Voz Andes Newscast"]

[FBIS Translated Text] Vice President Alberto Dahik has said the trade relations between Ecuador and Chile have not been affected by the Ecuador-Peru conflict despite the fact Chile is one of the guarantor nations of the Rio de Janeiro Protocol:

[Begin Dahik recording] Chile is a guarantor nation. As is to be expected, it has maintained and continues to maintain a neutral position on the territorial dispute, and we must be careful to continue this objectiveness and neutrality.

This trip had been planned before the outbreak of the border incidents, as the ambassador has said. A Chilean delegation traveled to Ecuador in December for an official visit by the foreign minister. It was during that official visit that we planned this visit and discussed the possibility of a commercial visit with the Industry Ministry. You must understand that a visit such as this cannot be set up in 15 days; therefore, this is a trip that was planned prior to the border events.

Chile has always been a friendly nation, a brother to Ecuador, and Ecuador has been a friend and a brother to Chile. We are now seeking to strengthen mutually beneficial commercial and economic ties. They are beneficial not because there is a conflict but because of the many complementary things we have between our two economies at this time. The objectives are clearly economic, development, trade, and exchange. [end recording]

Vice President Alberto Dahik, in highlighting the upcoming meetings Ecuadoran business leaders and authorities will hold in Chile, has said three bilateral agreements will be signed. The first provides for the expansion of a technical support agreement for micro-size businesses. The second is an operation contract for technical support for the nation's investment system, which the Chilean Planning and Cooperation Ministry will provide through the National Development Council. The third agreement refers to the Regional Plan for Extreme Poverty, which is of great interest to President Sixto Duran-Ballen.

Soldiers Pull Out of Tiwinza Garrison Amid Concern

PA2704234495 Quito Voz de los Andes in Spanish 1700 GMT 27 Apr 95

[From the "Voz Andes Newscast"]

[FBIS Translated Text] Abiding by the decision of the Rio de Janeiro Protocol nations not to oversee Ecuadoran troop withdrawals, Ecuadoran soldiers pulled out of the Tiwinza garrison amid concern about the possibility of Peruvian troops trying to occupy unprotected military positions.

The team of military observers in Ecuador and Peru has given its assurance that it will provide strict and permanent control, including the use of sensors to detect human presence in areas abandoned by the soldiers and which Ecuador continues to control, given it has never given up its sovereignty.

Previous experience in the turbulent relations with Peru elicits the fear that Peru might infiltrate the zone by using any pretext and taking advantage of the jungle conditions to occupy the abandoned positions. Ecuadoran military commanders have said they will exercise permanent control so as to prevent any surprises.

Analysts have said Ecuador should keep the issue at the top of the international agenda. This should exert constant pressure on Peru to comply with the Itamaraty Peace Accord, which is the agreement in effect, and to act in good faith to continue the negotiations and close the border.

It is essential for the guarantor nations to maintain a permanent presence in the conflict area so as to prevent any adventurous move by Peru. Foreign Minister Alfonso Barrera Valverde [as heard] has said Ecuadoran diplomacy must concentrate on keeping the observers in place for as long as possible—for several years, if necessary—until the major negotiation phase is concluded.

Former Army Commander Richelieu Levoyer has said no Ecuadoran garrison was surrendered. The troops have pulled out of these conflict areas in accordance with the agreements; therefore, the Armed Forces cannot be held responsible in the future should something happen in these areas. Levoyer has challenged the effectiveness of the military observers' monitoring plans for the area. This monitoring system cannot guarantee there will be no infiltrations into the garrisons by Peruvian troops; thus, it is essential that there be willingness and good faith on both sides. If not, he has said, nothing will work.

Former Foreign Minister Barrera has also said that what took place in Tiwinza today does not imply the surrender of any territory Ecuador did not lose on the battle field or the losing of anything through diplomatic channels. This closes another phase of the reduction of tension and the redeployment of troops to their normal positions. He has said no military installation will be allowed in the area. The demilitarized zone will include the Cenepa River headwaters, and there is the danger that Peru may try to focus the problem on the Cenepa River issue, when the conflict in actuality encompasses a much larger area totaling 5,000 or 6,000 square kilometers within the Zamora Santiago region. There, the Rio de Janeiro Protocol cannot be executed along a 200 km segment of the border.

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Because this zone has not been delimited yet, neither side should have possession. It shall be entrusted to the guarantor nations, who have given their assurance they will be watchful. The demilitarized zone must now be defined. This task will be a difficult one, because Peru will be very touchy throughout the process. Barrera Valverde added that the negotiation process to draw the borderline will come next.

Foreign Minister on Withdrawal

PA2804042895 Quito Voz de los Andes in Spanish 2300 GMT 27 Apr 95

[From "The Voz Andes Newscast"]

[FBIS Translated Text] Ecuadoran Foreign Minister Galo Leoro Franco has said Ecuador's good faith was made absolutely clear following the withdrawal of its Army troops from the Tiwinza garrison yesterday.

In a short statement to the press, the diplomat has said Peru never saw the military base as a reason for dispute until military units from the southern neighbor tried to take it. He has said the coordinates Ecuador presented in Brasilia are the same coordinates for the site Ecuadoran troops evacuated yesterday.

The Tiwinza base is located in the Cenepa River valley, in the Amazon basin, and became a symbol of Ecuadoran resistance against the Peruvian aggression that took place last January and February. the Peruvian authorities announced seven times during the conflict that they had taken the garrison. This statement has been clearly proven to be false, because Ecuadoran troops pulled out yesterday.

Efforts To Remedy Neglect of Border Region

95P20752

[FBIS Media Note] In the aftermath of the Peru-Ecuador border conflict, the Ecuadoran press reported on efforts to address the socioeconomic neglect of the border area.

Roads, Schools, Diet

Mario Cardenas, head of the Economic Rehabilitation Center for Azuay, Canar, and Morona Santiago (CREA), told Quito HOY of 2 April that his organization had presented its "Plan of Action for Morona Santiago" to the Indian Affairs Secretariat for financing. The project's goal is to strengthen the border by raising the standard of living of the Indian and mestizo inhabitants of the area especially in the Gualaquiza, San Juan Bosco, General Plaza, Santiago, and Tran-Cutucu cantons. Its 6-billion sucre budget will be used to build roads along the entire border including to Coangos and the Condor Mountain Range, as well as schools, health centers, and other basic services. The plan also aims to introduce the raising of sheep, cattle and pigs to balance the starchy native diet. Cardenas denied that this was a "colonization plan," but, according to HOY, admitted that nothing could be done to curb the influx of outsiders into the area.

Border Trade

Foreign Minister Leoro Franco told Guayaquil EL UNIVERSO of 17 April that his ministry is considering the creation of the Department of Frontier and Amazon Affairs which would be responsible for strengthening relations between Ecuador and Peru through binational programs. Following the demobilization and demilitarization of the forces, the department aims to create mechanisms by which border trade between the two countries would be strengthened and maintained. Chief to benefit would be the commercial sector, especially of El Oro and Loja Provinces, the "hardest hit" during the conflict. The merchants would also benefit from draft legislation presented by the National Development Bank which, if passed, would authorize the creation of a 30-billion sucre fund to grant new credits at easy terms, reported the 16 April EL UNIVERSO.

Health

The evacuation of 20,000 persons during the border conflict exacerbated the already neglected health situation of the border population, reported Quito EL COMERCIO of 20 March. One of the medical brigades said that, besides observing mental retardation, malaria, and war trauma among adults and children, all the children that were examined suffered from malnutrition, skin disorders and parasites. The daily said that the exact number of people living along the border was not known and called for a population census to determine the amount of human and economic resources needed for improving health care in the region. The daily listed measures already underway: A permanent national commission to supervise health progress in the region will be created; hospitals set up during the war will not be dismantled, including six emergency rooms, and medical brigades will be formed comprised of pediatricians, psychologists, nutritionists, and environmental health specialists, laboratory technicians and epidemiologists.

Paraguay

Wasmosy Reveals Terrorist Plan Threatening Asuncion

PY2804022595 Asuncion ULTIMA HORA in Spanish 27 Apr 95 p 7

[FBIS Translated Text] Reports coming from the United States give details about a possible international terrorist plan that has several capitals in the world as targets, including Asuncion. President Juan Carlos Wasmosy warned foreign agency correspondents about the problem.

The president yesterday expressed his concern to foreign correspondents accredited in our country with regard to information that originated in the Paraguayan Embassy in the United States on a possible chain of attacks with chemical and bacteriological weapons in several countries, including ours.

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The military attache to the Paraguayan Embassy sent a report to the president informing him that other friendly foreign diplomats had conveyed to our embassy information on an alleged terrorist plan—the details of which appeared in anonymous letters—involving several world capitals, including Asuncion.

The head of state said, with great alarm, that according to the anonymous report, the terrorist plan includes the use of chemicals and bacteriological products, similar to the ones used in a recent attack on Tokyo's subway and attacks in other Japanese cities.

Colonel Escobar, military attache to the Paraguayan Embassy in Washington, said that his Colombian counterpart, General Juan Saucedo, informed him that his embassy had received a letter from California, with no name or address, explaining "the plan for kamikaze type warfare" based on the use of chemical and biological agents in different capitals of the world, including Asuncion.

Three-Stage Plan

According to the document, the plan has three stages. The first stage involves the choosing of a list of capitals; the second stage involves determining the way to use the chemicals and the combination of lethal agents to cause diseases such as cholera, diphtheria, malaria, smallpox, tuberculosis, typhus, and yellow fever; and the third and final stage involves a schedule of attacks.

Escobar told the president that his Colombian counterpart informed him that the Venezuelan and Bolivian embassies in the United States also received the same letter. Escobar said our embassy did not receive such letter.

Wasmosy said that a few days ago he talked with high-ranking officials of the U.S. State Department about international terrorism, adding that they were also surprised about and powerless to prevent what happened in Oklahoma, where a car bomb killed more than 91 persons and left 467 wounded and 133 missing.

Mercosur [Common Market of the South] To Discuss Issue

"U.S. authorities and we here are all very concerned about this business of criminal activities and terrorism. We are really scared. I talked with very high-ranking authorities in the Bill Clinton administration, beginning with State Department officials. I wanted to discuss how governments can confront this problem," Wasmosy said, adding that he will raise the issue again at the Mercosur meeting in Sao Paulo, Brazil in June.

Wasmosy said terrorism does not recognize political borders because the attacks can occur in Canada, Italy, Germany, or the United States. "Just think about what happened there, where we thought security was the best. We must start by looking into the origin of terrorism and then look for ways to fight it," Wasmosy concluded.

Peru

Use of U.S. Marines To Remove Coca Crops Rejected

PY2704134995 Madrid EFE in Spanish 2127 GMT 26 Apr 95

[FBIS Translated Text] Lima, 26 Apr (EFE)—Oswaldo Sandoval, the Peruvian Congress Foreign Relations Committee chairman, today rejected a proposal to use U.S. Marines to remove coca crops in Bolivia and Peru.

Sandoval expressed this in a letter to the man who raised the issue, Dan Burton, the U.S. House of Representatives Western Hemisphere Affairs Subcommittee chairman.

The U.S. congressman recently proposed sending ships and contingents of "marines" to Peru and Bolivia—even though Bolivia does not have a sea coast, a revelation that caused exhilaration and surprise—to forcefully eradicate coca from those Andean nations.

The Peruvian congressman described as "unacceptable" the use of force "as a foreign policy mechanism, because it seriously violates the sovereignty of third countries, bearing in mind this practice has been eradicated from our continent."

After informing his U.S. counterpart of Peru's recent achievements in drug enforcement and the Peruvian Government's plans in this field, Sandoval said these achievements and plans cannot be ignored by government officials in Washington.

Sandoval adds: "I must also say that your opinions contradict the public recognition recently expressed by U.S. President Bill Clinton's administration for Peru's drug enforcement efforts."

In another passage, Sandoval informs Burton that his opinions are "biased" and reminds him that responsibility does not only lie with producing countries. The drug trafficking problem is also the responsibility of consuming countries like the United States.

Sandoval emphasized: "An extremely serious and complicated problem like drug trafficking requires cooperative efforts by producing and consuming countries, which are equally responsible."

Uruguay

Polls Shows President Sanguinetti's Popularity Falling

PY2704122395 Buenos Aires TELAM in Spanish 1446 GMT 26 Apr 95

[FBIS Translated Text] Montevideo, 26 Apr (TELAM-SNI)—A poll published today in this city shows that Uruguayan President Julio Sanguinetti has received a

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negative evaluation of his administration just two months from the start of his second presidency.

The poll was conducted nationally by Equipos Consultores and is published in the Montevideo independent daily EL OBSERVADOR ECONOMICO. It shows the Uruguayan political system again has a president with little popularity.

The Sanguinetti administration is approved by 24 percent of the population while 37 percent disapprove it.

One in every four, 26 percent, is in an intermediate position and 13 percent have no opinion on the subject.

The result of the poll conducted by Equipos Consultores gives President Sanguinetti a negative popularity of 13 percent.

The people's evaluation of the Sanguinetti administration is similar to that received in the first two months in 1990 by former President Luis Lacalle, whose administration was then approved by 22 percent of the people.

Equipos Consultores found that the wear suffered by Sanguinetti's public image is not an exclusive Uruguayan case because in Brazil the image of recently inaugurated President Fernando Henrique Cardoso seems to be deteriorating rapidly as well.

The percentage of people who believed the Cardoso administration would be good or very good dropped from 70 percent just before the inauguration to 36 percent late in January after not even one month in office.

Government Approves Economic Adjustment Program

PY2604143995 Madrid EFE in Spanish 1915 GMT 25 Apr 95

[FBIS Translated Text] Montevideo, 25 Apr (EFE)—The Uruguayan Government today approved a program of economic measures—involving a value—added tax (VAT) increase and more taxes on wages, new cars, electric energy, and other items—seeking to balance the state's deficit-laden accounts and help competitiveness.

The administration of President Julio Maria Sanguinetti, which was inaugurated on 1 March, joins the group of Latin American nations that were forced to adjust their economies over the past few months following the trying regional situation that resulted from the Mexican crisis.

Defense Minister Comments on Remarks by Argentina's Balza

PY2704224895 Madrid EFE in Spanish 1618 GMT 27 Apr 95

[FBIS Translated Text] Montevideo, 27 Apr (EFE)—Uruguayan Defense Minister Raul Iturria said today that [Argentine] Army Chief Martin Balza's recognition of acts of illegal repression during the "de facto" regime in Argentina "will not have repercussions in our country because circumstances are different."

The Uruguayan minister said: "The events admitted by Gen. Martin Balza "are very painful and we hope they will never occur again."

However, the Argentine military chief's "mea culpa" will "not have repercussions in Uruguay because circumstances are different," Iturria added.

"In many things, we Uruguayans have given an example to the world. Uruguay's solution for the return of democracy was typically Uruguayan, but very well done," Iturria emphasized.

The current Uruguayan defense minister is a 59-year-old attorney. He is an expert in administrative law; a former mayor of Durazno Department, 180 km north of Montevideo; and a former senator.

The Argentine Army chief of staff admitted on 25 April, 12 years after the military left power, that they used illegal methods to fight leftist subversives between 1976 and 1983.

During that period some 9,000 Argentines were executed or disappeared. Recently, a former Navy captain and a former Argentine Army sergeant said that many of the missing were thrown from planes and helicopters into the River Plate while still alive.

According to an investigation carried out by the Uruguayan Congress, 46 military and police officers were "seriously involved" in human right violations during the military regime (1973-85) in this country, but an "amnesty law" approved by Congress in 1986 suspended, before their formal beginning, all trials against the alleged officers involved. The same commission revealed that 136 Uruguayans, including eight children, "disappeared during the military regime, 127 of them in Argentina, 32 in Uruguay, three in Chile, and two in Paraguay. [numbers as received]

The "amnesty law" approved during the first presidential mandate of current Uruguayan President Julio Maria Sanguinetti (1985-90) attempted "to turn a new page" after the harsh years of "the de facto regime" and was preceded by a general amnesty for all political prisoners.

The "amnesty law" was contested by leftist political parties and human right associations that demanded the trial of those responsible for human right violations, but in 1989 the population ratified the measure through a plebiscite.

Venezuela

Poll: Government Maintaining Positive Support

PA2804041095 Caracas EL UNIVERSAL in Spanish 21 Apr 95 p 1-11

[FBIS Translated Text] The government is maintaining a positive level of support from the people regarding its

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administration, particularly from National Convergence and Copei [Social Christian Party] sympathizers, according to a poll conducted by Mercanalisis in March.

Mercanalisis' figures, gathered from interviews conducted in the country's eight most important urban centers, reveal that 54 percent of the people believes the government is excellent, good, or average, while the remaining 45 percent believes it is average, negative, bad, or horrible.

Regarding President Rafael Caldera, the results are, naturally, definitely higher than those of his government. It is appropriate to mention that Copei sympathizers emerge as the second group that considers Caldera's work as excellent, good, or average, surpassing MAS [Movement Toward Socialism].

The following was asked regarding the people's evaluation of the government's handling of economic issues:

Would you say the government adopts its economic decisions with a clear and defined economic plan, or does it improvise, depending on the problems?

Seventy-one percent believes the government improvises, and 24 percent believes the opposite.

Fifty-three percent believes the government's economic decisions are worsening, 28 percent believes they are improving, and 16 percent says they have not changed.

Regarding the opposing views of Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry] and the CTV [Venezuelan Workers Federation] on how to cancel social benefits, 47 percent supports the CTV, and 40 percent supports Fedecamaras' idea of canceling them on an annual basis and negotiating the retroactivity.

Seventy-seven percent suggested the most adequate solution to the problem of the guerrilla groups is to fight them. Only 9 percent supported the thesis of pursuing the guerrilla fighters into Colombia, and barely 4 percent believes Venezuela should reach a pact with the guerrilla groups. The same percentage suggested that Venezuela declare war on Colombia. Nine percent said Colombia should fight and defeat the guerrilla groups.

The Conversion Box Mechanism

The poll also included a question on the complex monetary mechanism the conversion box. Eighty-two percent of those polled said they have never heard of it, while 18 percent said they had. At the same time, 39 percent of income level AB [not further specified] said they had never heard of the conversion box mechanism.

Of the 18 percent who answered they were aware of the mechanism, 8 percent agreed with it, 4 percent disagreed, 2 percent answered they were "uncertain", and 5 percent said they were unaware.

The Parties

Regarding affinity with political party proposals, 54 percent chose not to select any party; 12 percent selected the National Convergence Party; 11 percent voted for the AD [Democratic Action]; 8 percent went with Copei, 6 percent with the Radical Cause, 3 percent with the MBR-200 [Bolivarian 200 Revolutionary Movement]; 3 percent went for MAS, and 2 percent selected other parties.

Political Affinity

Even though you may or may not be active in politics, with which of the political party proposals on how best to run the country do you agree?

	CITIES								
	Total	Car.	Mar.	Val.	Bar.	Mara.	San Cris.	PLC Ciu.	Guy.
Base	1000	350	90	110	90	150	70	70	70
AD	11	6	2	13	20	17	10	19	17
Copei	8	6	— 10	9	13	21	6	4	
Mas	3	1	1	4	6	5	4	4	1
Radical Cause	6	4	6	4	—	5	4	5	24
National	12	10	6	13	12	15	31	6	3
Convergence									
MBR 2000	3	3	—	2	—	2	10	4	1
Others	1	1	1	1	1	1	—	—	1
None	54	67	80	53	51	40	17	49	41
No reply	2	2	4	2	1	2	1	4	

Evaluation of President Caldera

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How Would You Evaluate President Caldera's Work?

TOTAL	AD	COPEI	MAS	CAUSE	CN	2000	OTHER	NONE	REPLY	BASE
1000	113	81	28	56	116	27	10	545	24	Excellent
6	3	9	11	—	18	—	10	3	8	Good
29	20	38	39	23	47	19	10	27	25	Fair
30	30	35	11	38	28	37	30	30	21	Poor
13	9	9	11	19	3	30	26	16	17	Bad
13	22	4	14	11	3	7	30	15	25	Failure
7	14	6	14	11	1	7	—	7	4	No reply
1	2	—	—	—	—	—	—	1	—	

Evaluation of Administration Performance

Average 1993 Percentage	Mar 94	Jun 94	Oct 94	Jan 95	Mar 95	
9	33	14	22	18	19	Excellent/ good
18	36	37	37	39	35	Fair
16	8	16	18	14	17	Poor
54	9	28	21	26	28	Bad/ failure

Congress Approves Exchange Policy Bill

PA2704173595 Caracas Venezolana de Television Network in Spanish 0200 GMT 27 Apr 95

[Report by Fernando Porte from "The News" newscast—passages within quotation marks recorded]

[FBIS Translated Text] The Exchange Policy Bill was approved by Congress today after a heated debate marked sometimes by understanding and sometimes by angry disagreement. Copei [Social Christian Party] and Radical Cause abstained from the vote. It was an exhausting but productive joint session. Wednesday's session of Congress was a cauldron of mixed emotions. Adrenaline was flowing at peak rate.

[Copei Deputy Omar Barboza, identified by caption] "This is why, Mr. President, Copei's parliamentary faction abstained."

The point of the most intense debate was Article 2. Originally, the Exchange Policy Bill stipulated that the executive would create an agency to establish the exchange policy by consulting with or reporting to the Central Bank. National Convergence, Democratic Action [AD], and MAS [Movement Toward Socialism] proposed a minor change in this article, which was ultimately approved. The amendment dealt with eliminating the requirement to consult with the Central Bank. As a result, the executive alone is responsible for the exchange policy.

But during the debate any number of things happened, such as improvised meetings and changing sides. The quorum had to be verified twice. That means that the roll of senators and deputies had to be called twice because some kept coming and going and it was impossible to determine who was actually present. Those most familiar with law consulted with each other, while others read. Time ticked by. In the end, a consensus was reached and the bill was passed.

AD deemed Copei and Radical Cause's action as inconsistent because they refused to vote the proposal but at the same time demanded the restoral of individual rights.

[Barboza] "Copei and Radical Cause hold a dual and contradictory position. On one hand, they demand the reinstatement of rights, but on the other refuse to vote on the exchange policy bill."

The Copei people, who were very active and diligent, drew some comparisons with previous governments. They regarded the whole affair as a mere matter of power.

[Deputy Ramon Avedillo, identified by caption] "This makes the government of President Caldera the most powerful since the days of Jaime Lusinchi. They thus have no excuse for failing to make good on their promises to us."

The Radical Cause delegates think that congressional decisions not always benefit the country. Where there is confession, there is no need for proof.

[Deputy Carlos Melo, identified by caption] "This is an instance where the majority is not necessarily right. The parliamentary majority that the government parties, particularly AD, attained today demonstrated that they do not want to discuss the economy in depth."

The highlight of this bicameral session was Leopoldo Sucre Figarella, who by abstaining disobeyed AD party discipline. Figarella thinks the opposite should have been done, that is, constitutional rights should have been restored first and the exchange policy bill approved second. It is a matter of personal opinion.

This was a historic session where 26 senators and 113 deputies, 139 parliamentarians in all, participated by

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saying yes or no according to their consciences in a vote for the country's destiny. Halfway through the afternoon, the Congress was half-empty. The congressmen were hungry and had gone out for lunch.

What does the approval of this legal instrument mean? Before, the Central Bank ruled, coordinated, and directed exchange and monetary policies. Now the central government coordinates, not only economic policy, but monetary policy, specifically the exchange policy, too. Of course, it would do this only in an emergency.

Executive Branch To Expedite Liquidation of Banks' Assets

PA2804011295 Caracas EL UNIVERSAL in Spanish 27 Apr 95 p 2-4

[FBIS Translated Text] The Executive Branch has decided to expedite the liquidation of the assets of intervened banks and has authorized administration boards to sell those assets, provided they can contact interested businessmen.

The finance minister announced this decision to intervention officials on 25 April. Up to then, the sale of assets of the eight closed banks was up to the Deposit Guarantee and Banking Protection Fund [Fogade], which initially proposed the creation of a recovery enterprise to take over the assets, for which it would be necessary to reform the law.

The Finance Ministry notified intervention officials, according to a high-ranking source at the Executive Branch, that "if someone states his interest in buying those assets, the administrators may take steps in this direction and complete transactions."

They may sell any kind of asset, even the bank itself, if a convenient offer is made. In any case, the transaction would have to be approved by a committee created by the Financial Emergency Board for expediting the liquidation of the assets and, therefore, recover state resources.

The assets that may be sold are real estate properties, primarily those received from foreclosure proceedings and which comprise buildings, lands, and properties. The intervention boards that may initiate such steps are those of Banco Maracaibo, Amazonas, Barinas, Bancor, Metropolitano, Construccion, La Guaira, and Fiveca Financial Society.

The duties that had been assigned to intervention officials so far were to recover credit portfolios, a process that is still ongoing, so as to report detected irregularities that may be blamed on the previous administration and to prepare the institutions for their final outcome, be it liquidation or renovation.

Later, they will begin the transfer of properties to Fogade, as a payment for the financial subsidies they received during the first semester of 1994, based on a model drafted by the Prosecutor General's Office. This plan supersedes the one designed late last year by the Fogade Board of Directors and, according to the Comptroller General's Office, contained juridical errors.

The plans to liquidate banks have been postponed since the Financial Emergency Board replaced its coordinator. Julio Sosa was replaced by Luis Raul Matos. The priority in this regard, according to the source, is to enable the state to recover as quickly as possible the largest amount of resources it granted in the form of financial subsidies.

One of the main proposals made by new Finance Minister Luis Matos Azocar was to cut down the number of intervention officials in the eight closed banks, which had already cut back on staff and functions. This proposal was already achieved although each board was allowed to decide whether it required fewer officials or should remain intact. It was then decided to reduce intervention officials in the banks La Guaira, Construccion, and Metropolitano.

Guyana

TUC To Prevent Officials From Addressing Rallies

FL2804015495 Bridgetown CANA in English 2008 GMT 27 Apr 95

[FBIS Transcribed Text] Georgetown, Guyana, April 27, CANA—Guyana's umbrella labour movement Thursday announced it was breaking with a long-standing tradition by blocking any government official from addressing annual May Day workers rallies across the country.

Organising secretary of the Umbrella Trade Union movement, the Guyana Trades Union Congress (TUC), Lawerence Mentis told CANA by telephone the TUC no longer found government's participation in May Day activities acceptable. Noting that government ministries starting from the heads of state were in the past the main speakers at rallies nationwide on Labour Day, Mentis said the rallies were sponsored by the TUC, but "the organisational work and the delegation of speakers for the rallies were done by the politicians".

"It was felt by the new regime in the TUC's executive council that politicians ought not to be involved in the planning of the May Day rally and parade. It should be done by the TUC," Mentis remarked. The TUC says government minister have been invited to the rallies that will be kept in the ten administration regions of this 83,000 square mile country, "but they will not be required to speak".

Speakers will be members of the TUC's executive council and leading trade unions from its affiliated unions.

Traditionally, May Day celebrations in Guyana featured speeches by the main political figures of the day who used the opportunity to air what they believed were issues crucial to the "Guyanese working man". Both the

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late President Forbes Burnham, who was also president of the Guyana Labour Union, and his successor former President Desmond Hoyte the current president of the union sought to exploit May Day observances for political gain. Then opposition leader now President Cheddi Jagan, who is honorary president of the powerful Guyana (?Agricultural) and General Work Union, which represents workers of Guyana's [words indistinct] exchange earner, the [words indistinct].

Mentis said that any move to invite goverment representatives at [words indistinct] because in the past workers were coerced to altend rallies (by government).

He was very optimistic about good worker's participation in May Day celebration this year. "Workers are now getting used to the idea that the whole thing has been organised by the workers" movement.

Mentis said he knows that the Jagan administration has no problem with the stand taken by the TUC. "When the government was in opposition, they were against the politicians being involved in the preparation and organisation of parades and rallies," he noted.

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